

**HILLSBOROUGH TRANSIT AUTHORITY
POLICY MANUAL**

**900: FINANCIAL AND BUDGETING POLICIES AND PROCESSES
940: CAPITAL IMPROVEMENT PROGRAM (CIP) & POLICY**

940.10 CAPITAL IMPROVEMENT PROGRAM (CIP) & POLICY

(1) Policy Statement

The CIP budget contains 5 years of funding of planned capital projects. The first year of the CIP budget reflects funding for the improvements identified therein and is contained in that year's budget. The remaining four years of the CIP budget lists the capital projects identified for implementation and their estimated costs in those subsequent years. Each year, the list of projects is reviewed for need, cost and priority and aligned to the TDP.

New projects may be added and other projects deleted, based on organizational planning and need. Vehicles or equipment are included in the CIP when they have an expected life of five (5) years or more, and a cost of \$1,000 or greater. Generally, capital improvements are defined as physical assets, constructed or purchased, that have a useful life of five years or longer and a cost of \$1,000 or more.

(2) Carry-Over

During the previous fiscal year, there may be certain capital improvement projects that either were not completed or started during the year; however, HART intends to complete these projects and expend the funds in the next fiscal year. Therefore, the items are treated as a "carry-over" meaning that the project and unused funds are being carried forward from the previous fiscal year to the new fiscal year capital improvement budget.

(3) Funding of Capital Improvements Expenditures

CIP expenditures are funded from several funding sources – capital grants, general operating funds, impact fees, and other capital contributions as indicated in the revenue section of the CIP Budget.

Each year, the 5-year CIP shall be updated as part of the annual HART budget. Such review and revision of the CIP shall be consistent with the HART established strategic goals and objectives, as well as reflect the intent of the TDP. Specifically:

- (a) Recommended capital improvements and projects shall be deemed consistent with the CIP, as to general location, scale and type of facility, although it need not be consistent in revenue sources or manner of operation;
- (b) Amounts shown in the CIP as estimated project costs are estimates and not intended to serve as precise project budgets. A precise project budget will be established for a project upon completion of engineering and architectural plans and specifications (upon which the project cost will be estimated);

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- (c) Any project included in the program may be financed by any available revenue, as allowable by law; and
- (d) Anticipated operating expenses associated with supporting, operating and/or maintaining the resulting capital asset must be included in the out-year strategic budgeting process and be included in initial project cost estimates.

HART Clerk: _____

